

FISCAL DIGEST

Financial Management Service—Austin Financial Center

AFC Agency Forum 2004

Volume 1, Issue 1

January 2005

Inside this issue:

Agency Forum	1
SPS Update	1
CAB	1
Secure Checks	2
SPS Information	3
Help Desk	3

The Financial Management Service (FMS), Austin Financial Center (AFC) sponsored an agency forum on Electronic Payments and Collections. The forum at no cost to Federal agencies was intended to provide information on FMS' electronic products and services to its customer agencies.

The forum was an opportunity for agencies to receive information directly from the U.S. Department of the Treasury and to allow for open communication between the Regional Centers and

their customers. Through this effort, AFC hopes to provide information on current and future products and services offered by FMS.

The agency forum was held on **August 18th and 19th** in **Dallas, TX** at the Federal Reserve Bank. Topics included but were not limited to: SPS (Secure Payment System), PAID (Payment Advice Internet Delivery), Treasury Seal Encoding Pilot and others.

The next Agency Forum is tentatively scheduled for March 2005. If you are

2004



Agency Forum

Financial Management
Service

interested in attending or would like more information on any of the products or services discussed in this newsletter, please contact Eric

Swain at 512-342-7300 or email him at afc.help@fms.treas.gov.

CAB—Customer Advisory Board

SPS is Here!

On June 7, 2004, AFC installed the Secure Payment System (SPS), at its first agency, Department of Veterans Affairs, Financial Services Center. Since then, we have installed SPS at a few other agencies.

SPS provides a mechanism by which government agencies can create payment schedules in a secure fashion. It also allows Regional Finance Centers a means to extract approved payment schedules for executing payments.

SPS, FAQ's (continued on page 3).

The Austin Financial Center (AFC) is committed to improving our customer service and customer communications. At this time, the AFC would like to introduce a Customer Advisory Board (CAB) to provide an executive level forum for shared knowledge and best practices to meet the many demands of our end-customers and payment recipients. The CAB will promote teamwork, communication and coordinated efforts in program planning and product development.

The purpose of the CAB will be to:

-Provide ongoing customer

feedback on services, regulations, policies and procedures;

-Evaluate current products and services;

-Identify new/alternative services and products;

-Determine areas, products, or services that may need to be changed and/or improved

-Serve as an issues forum for agencies;

-Determine customer priorities and needs.

-Provide guest speakers to share new ideas in management practices.

The CAB will be planned and administered by the marketing group within AFC.

We have tentatively scheduled our first two-day meeting in April 2005 in San Antonio, TX. At this time, we are seeking suggestions, concerns or any other input regarding this program. We feel the CAB will be instrumental in our goal to provide outstanding customer service and we hope you will agree. If you have any comments or suggestions for the CAB, you may email Eric Swain at afc.help@fms.treas.gov.

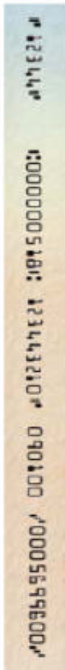
Treasury Seal Encoding Pilot



Watermark

U.S. Treasury checks are printed on watermarked paper. The watermark reads "U.S. TREASURY" from both the front and the back of the check and can be seen only by holding the check up to the light. The watermark is light and cannot be reproduced by a copier. All U.S. Treasury checks have the watermark and any check not having the watermark should be suspected as being counterfeit or copied.

Some counterfeit checks have the watermark printed as part of the check's background. The counterfeit watermark is then visible without light passing through the check. Therefore, checks having very visible "U.S. TREASURY" watermarks as a part of the printed check background are counterfeit.



Symbol and Serial Check Digit Numbers

The four digit symbol number and the eight digit serial number is printed on every U.S. Treasury check and is located on the upper right hand side of the check. These two sets of numbers are repeated on the MICR line printed across the bottom of the check.

If you need further information about these security features, please contact the **FINANCIAL MANAGEMENT SERVICE, QUESTIONED DOCUMENTS BRANCH** at (202) 874-7640. We are available to conduct check fraud seminars at banking conferences. In addition, you may contact the Federal Reserve Bank of Richmond to verify limited check issue information by telephone. Please contact **THE FEDERAL RESERVE BANK OF RICHMOND** at (804) 697-2605. We appreciate the opportunity to provide this information to you and hope that it assists your financial institution.



U.S. Treasury Check Security Features



Signature Block

Some Treasury checks will contain this unique signature block, called a Secure Seal, which contains check specific encoded information. The information contained in the Secure Seal can be decoded and compared to the face of the check as presented to verify issue amount and payee information. The Secure Seal will not be on all checks.



Bleeding Ink

The Treasury seal, located to the right of the Statue of Liberty contains security ink that will run and turn red when moisture is applied to the black ink of the seal.



Ultraviolet Overprinting

A protective ultraviolet pattern, invisible to the naked eye, consisting of four lines of "FMS" bracketed by the FMS seal on the left and the United States seal (eagle) on the right. This pattern can usually be found under the payee information and amount area. The FMS pattern and seals can be detected under a black light. If the amount box is stained or altered in any way, a space will be created in the ultraviolet area. When exposed to black light, the ink used in the pattern and the seal will glow. This fluorescent quality cannot be photocopied.

Microprinted Endorsement Line

Microprinted words are printed so small that they appear as a line to the naked eye. When magnified, the microprinted words become visible. Microprinting cannot be duplicated by a copier and will show up as a solid line if a copying attempt is made. The endorsement line on the reverse of the U.S. Treasury check is actually a line of microprint that, when magnified, spells out **USAUSAUSAUSAUSAUSAUSAUSAUSAUSA**.

The microprinted endorsement line on counterfeit checks is usually a solid line or a series of dots. Counterfeits normally do not use printing technology capable of micro printing.



SPS, FAQ's

What does an agency have to do to be ready to implement SPS?

In order to implement SPS, an agency **must** have at least one PC that meets the minimum prescribed requirements. The agency must have at least one Certifying Officer (CO) and one Data Entry Operator (DEO). For agencies converting from ECS, existing COs and DEOs can be used. The agency must have established a (Treasury) Fiscal Sponsoring Authority (FSA) and received an SPS Public Key Infrastructure (PKI) certificate for at least one CO and one DEO. In addition, the agency may also choose to establish a Trusted Registration Agent (TRA) to attain PKI credential.

How should an agency acquire the specified smart cards and smart card readers?

We suggest that you do NOT begin procurement yet, to ensure you receive the most current devices available at the time of your conversion.

FMS will provide each existing ECS site with one smart card reader and 2 smart cards during conversion to SPS that will be used by your initial CO and DEO. In addition, a minimum of one additional card reader and smart card will be needed by the agency if it chooses to implement the PKI TRA function rather than travel to an FMS location.

How can we obtain the ACH Addendum Record Users Guide mentioned in "Technical Note 16: Formats and Edit Criteria" for the Payment ID Line in the ACH Payment Record?

Your servicing Regional Financial Center ECS Host Coordinator should be able to provide the ACH Addendum Record Users Guide in both hard and soft copy.

Must we use the specific card reader from data key that FMS specified?

We suggest that you do NOT begin procurement yet, to ensure you receive the most current devices available at the time of your conversion.

For initial implementation, you should use the specified data key CIP 330g-D smart card reader and driver. FMS is not prepared to support other cards or readers during initial implementation/rollout. All of our development and testing used the Data key card reader. Eventually, we hope to be able to support card readers from any vendor that meet the minimum card reader requirement.

512-342-7300 One Number, One Solution

The Austin Financial Center recently opened the AFC Help Desk.

Designed to provide exemplary customer service, the goals of the Help Desk are to:

- Centralize incoming calls
- Serve as the first point of contact
- Resolve problems as quickly as possible
- Direct calls to the appropriate subject expert

The Help Desk will be in operation Monday through Friday from 8:00 am to 4:30 pm CST.



*"The aim of marketing
is to know and
understand the
customer so well the
product or service fits
him and sells itself."*

-Peter F. Drucker



FINANCIAL MANAGEMENT SERVICE—AUSTIN

*Our Success is Measured by the
Success of Those We Serve.*

P.O. Box 149058
Austin, TX 78714-9195
Phone: 512-342-7300

WE'RE ON THE WEB!

WWW.FMS.TREAS.GOV/AFC

About the Financial Management Service

FMS Overview

Function: Acting as the U.S. government's money manager, FMS provides centralized payment, collection, and reporting services for the government.

- Staffed by approximately 2,100 career civil servants;
- Oversees the daily cash flow of nearly \$50 billion into and out of federal accounts;
- Disburses more than \$1.7 trillion to more than 100 million individuals;
- Collects more than \$2.2 trillion per year in payments to the government;
- Provides cash management guidance to federal program agencies;
- Serves as the government's central debt collection agency; and
- Collects more than \$3 billion per year in delinquent debts owed to the federal government.

Our Mission

The mission of FMS is to provide central payment services to federal program agencies, operate the federal government's collections and deposit systems, provide government-wide accounting and reporting services, and manage the collection of delinquent debt. The bureau also supports federal agencies' financial management improvement efforts in the areas of education, consulting, and accounting operations through a franchise fund business.

Our Services

Disbursing Federal Payments: FMS is the primary disburser of payments to individuals and businesses on behalf of federal agencies (e.g., benefit payments paid by the Social Security Administration or the Department of Veterans Affairs; federal income tax refund payments; and payments to businesses for goods and services provided to the federal government).

Collecting Federal Revenue: FMS administers the world's largest government funds collections systems through a network of more than 10,000 financial institutions. Each year the bureau collects \$2.2 trillion in federal revenues. Using cutting-edge technology, FMS has taken a leadership role in providing federal agencies, individuals, businesses, tax practitioners, and financial institutions with a wide variety of electronic collection alternatives.

Issuing Government-wide Financial Reports: FMS has the critical responsibility of maintaining the federal government's set of accounts and serving as the repository of information about the financial position of the United States government. The bureau closely monitors the government's monetary assets and liabilities at all times through its oversight of central accounting and reporting systems.

Collecting Delinquent Debts: FMS collects more than \$3 billion in delinquent debts (e.g. federal student, mortgage, or small business loans, federal salary or benefit overpayments, fines or penalties assessed by federal agencies) owed to the United States government, as well as income tax debts owed to states and overdue child support payments owed to custodial parents.

Supporting Federal Agencies' Financial Improvement Efforts: FMS, by taking an entrepreneurial approach, supports the financial improvement efforts of federal agencies. Over the last five years, through course offerings, conferences, and workshops, FMS has trained thousands of federal agency representatives in a myriad of financial management areas.

Our Partnerships

Federal Agencies: Due to the very unique government-wide mission of FMS, the bureau interacts and forges partnerships with virtually every Executive Branch agency. On a regular basis, FMS also conducts workshops and conferences for agency representatives to assist them with all aspects of government financial management, including cash management, government-wide accounting and reporting and debt management.

Financial Institutions: Financial institutions are key partners of Treasury and FMS. They provide various critical services in their capacity as depositories and financial agents of the United States as designated by the Secretary of the Treasury.

Federal Reserve Banks: Federal Reserve Banks act as fiscal agents and depositories. For example, the banks maintain the Treasury's account, accept deposits of federal taxes and other federal agency receipts, and process checks and electronic payments drawn on Treasury's account.